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NULLAGINE IRON ORE PROJECT – EXCELLENT RESULTS FROM RESOURCE IN-FILL DRILLING AT OUTCAMP WELL

HIGHLIGHTS

- **In-fill drilling confirms iron grades and continuity at Outcamp Well deposit**
- **Significant assays include:**
 - 13m @ 57.9% Fe (65.3% CaFe) from surface
 - 14m @ 57.2% Fe (65.3% CaFe) from surface
 - 10m @ 58.9% Fe (66.1% CaFe) from surface
- **Twin diamond drilling underway**
- **Initial Inferred Resource estimate for Outcamp expected in March Quarter 2008**

BC Iron Limited (ASX: **BCI**) is pleased to report that it has received excellent results from the current resource in-fill drilling program at **Outcamp Well**, part of its 100%-owned **Nullagine Iron Ore Project** in Western Australia's Pilbara region.

The program of Reverse Circulation (RC) in-fill drilling has confirmed the results of wider-spaced drilling conducted earlier this year at Outcamp Well as part of BC Iron's maiden drilling program. The results received to date include significant widths of high-grade iron ore mineralisation with calcined iron grades of **up to 66.1%**, confirming the continuity of the mineralisation at Outcamp.

The results confirm the potential for Outcamp Well to provide a source of Direct Shipping Ore (DSO) with low contaminants and high calcined iron grades from at or near surface.

Drilling conducted by BC Iron this year has already discovered several Channel Iron Deposits (CIDs) with the potential to produce DSO within the Bonnie Creek, Nullagine River and Shaw River palaeochannel systems (Figure 1).

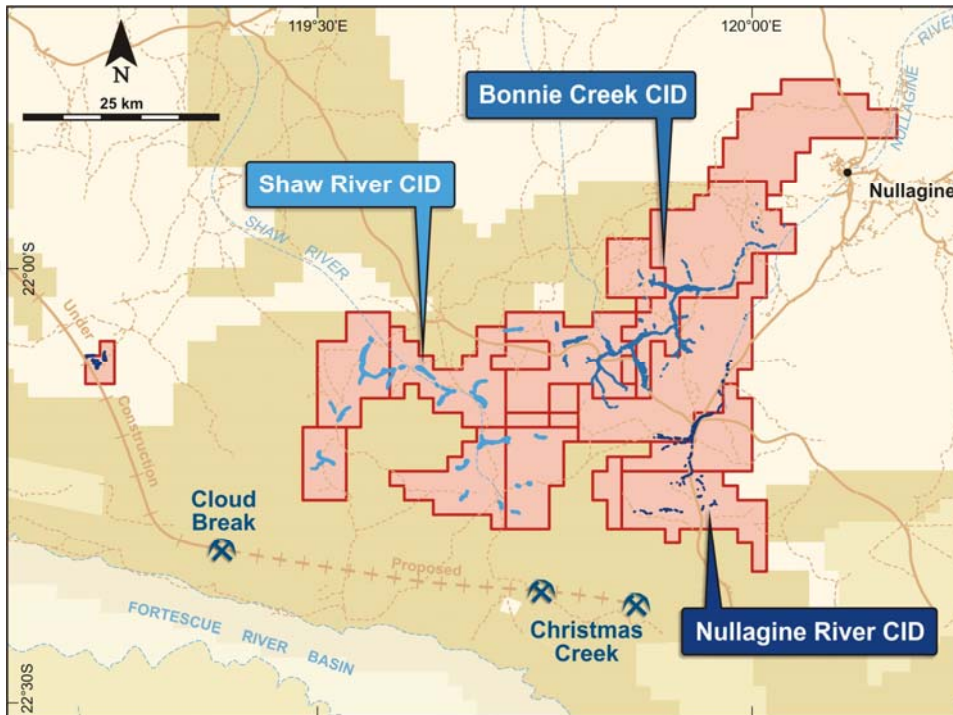


Figure 1. Nullagine Project

Outcamp Well is one of two priority targets within the Bonnie Creek palaeochannel system at the Nullagine Project, which is located close to Fortescue Metals Group's Cloud Break and Christmas Creek operations, where initial iron ore production is scheduled to commence in May 2008.

The **Outcamp Well** prospect is approximately 3.5 km in length with an average width of over 300m and the mineralisation occurs at, or near, surface.

BC Iron has established an Exploration Target¹ for Outcamp Well of 15-20Mt at 56-58% Fe as part of its broader exploration and development strategy at the Nullagine Project. The Company has established an Exploration Target for the Coongan Prospect, located approximately 12km to the south-west of Outcamp, of 8-10Mt at 56-58% Fe.

RC drilling recommenced at the Nullagine Project during September. In-fill drilling at Outcamp and Coongan Well Prospects is expected to provide the data required for an Inferred Resource estimate.

Analytical results have now been received from 18 of a total of 25 holes drilled at Outcamp (Table 1 & Figure 2). The results closely reflect the previous drill results. A program of diamond drilling to twin selected RC holes is also currently underway. Diamond drilling will also assess the potential of mesas within the Shaw River system which are difficult to access with a conventional rig.

Results are pending for the remaining areas. Delays at the analytical laboratory have resulted in the expected turnaround times for assay results to be on the order of 6-8 weeks.

The Company remains on track to deliver an Inferred Mineral Resource during the March Quarter of 2008.

Table 1 – RC Drilling results, Outcamp Well

Hole ID	From	To	Length	Fe%	CaFe%	SiO ₂ %	Al ₂ O ₃ %	P%	S%	LOI%
BD0209	0	14	14	55.5	63.0	4.0	2.5	0.02	0.20	12.0
<i>including</i>	1	7	6	56.0	63.9	3.3	1.6	0.02	0.20	12.5
<i>and</i>	10	14	4	59.5	66.8	2.0	1.5	0.02	0.17	10.8
BD0210	0	14	14	57.9	65.3	3.4	1.8	0.02	0.24	11.2
BD0211	0	13	13	56.6	63.8	4.6	2.3	0.02	0.22	11.3
<i>including</i>	0	7	7	58.4	65.5	3.7	1.2	0.02	0.21	11.0
BD0212	3	9	6	55.3	63.0	4.0	3.1	0.02	0.18	12.3
BD0213	0	15	15	56.0	63.5	4.0	3.0	0.02	0.19	11.7
<i>including</i>	0	7	7	57.9	65.4	3.1	2.2	0.02	0.20	11.5
BD0214	3	5	2	56.6	64.7	2.9	1.2	0.02	0.22	12.5
<i>and</i>	10	15	5	56.3	64.0	3.1	2.7	0.02	0.20	12.0
BD0215	0	5	5	57.9	65.2	3.1	2.4	0.02	0.20	11.3
BD0217	0	6	6	58.1	65.5	3.3	1.8	0.02	0.18	11.3
BD0218	1	11	10	58.9	66.6	2.6	1.3	0.02	0.22	11.5
BD0221	2	10	8	56.5	64.5	2.5	2.2	0.01	0.14	12.5
<i>including</i>	5	10	5	57.9	65.7	1.8	2.4	0.01	0.12	11.9
BD0222	2	10	8	57.6	65.7	1.9	1.4	0.01	0.17	12.3
BD0223	10	15	5	57.9	65.6	2.0	1.9	0.01	0.12	11.8
BD0224	7	9	2	56.1	63.7	3.4	2.5	0.01	0.20	11.9
BD0225	3	12	9	56.4	64.3	2.7	1.9	0.01	0.16	12.3
<i>including</i>	7	12	5	57.5	65.0	2.2	2.3	0.01	0.16	11.6

Notes:

- Analyses conducted by Ultratrace Laboratories using X-Ray Fluorescence Spectrometry with Loss on Ignition (LOI) determined using Thermo-Gravimetric Analyses at 450°C, 650°C, and 1000°C (reported)
- Calced Fe (CaFe) calculated by the formula $CaFe\% = ((Fe\%) / (100 - LOI1000)) * 100$

About BC Iron Limited

BC Iron Limited (ASX: BCI) is an emerging iron ore exploration and development company focused on Western Australia's Pilbara region. BC Iron's 100%-owned Nullagine Project is strategically located directly north east of the Cloud Break operation, part of Fortescue's Chichester Iron Project, and in relatively close proximity to the open access railway line currently under development by Fortescue between Chichester and Fortescue's dedicated iron ore berths at Port Hedland, 260km to the north west.

BC Iron's initial exploration program covers the Bonnie Creek, Shaw River and Nullagine River palaeochannels, where it has established a combined Exploration Target of 35-75Mt grading 55-58% Fe as the basis for a substantial Direct Shipping Ore (DSO) project. Phase 1 exploration drilling at Shaw River is scheduled for completion by December 2007. An Inferred Resource estimate for Outcamp Well and Coongan Prospects is expected during the March 2008 Quarter.

The Company has an MOU with Fortescue Metals Group for the provision of bulk transport for its material, including potential Joint Venture or mine gate sale options.

Key Statistics

Shares on Issue: 58.3 million (fully diluted)

Board and Management: Tony Kiernan – Chairman
Mike Young – Managing Director
Garth Higgs – Non-Executive Director
Terry Ransted – Non-Executive Director
Steven Chadwick – Non-Executive Director

Major Shareholders: Consolidated Minerals 28%
Alkane Resources 17%
Randolph Syndicate 11%

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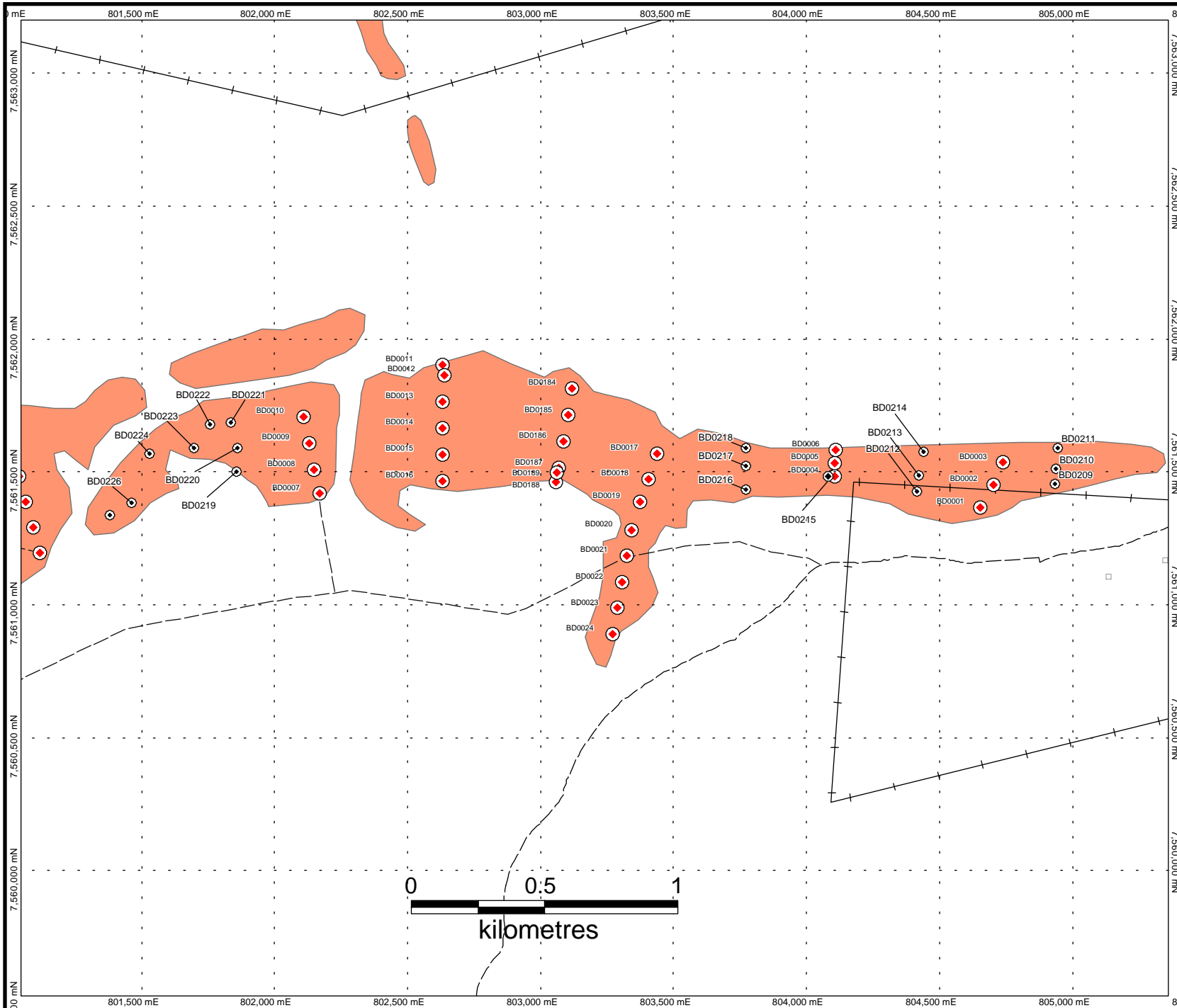
On behalf of:
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Managing Director
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JORC Statement




This release may include forward-looking statements. These forward-looking statements are based on management's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of BC Iron Limited, that could cause actual results to differ materially from such statements. BC Iron Limited makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.


1 - It is common practice for a company to comment on and discuss its exploration in terms of target size and type. The information above relating to the exploration target should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resource(s) or Reserve(s) have not been used in this context. The potential quantity and grade is conceptual in nature, since there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource

The information that relates to Exploration Results is based on information compiled by Michael Young who is a Member of The Australian Institute of Geoscientists and a Director of the Company. Mr Young has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Young consents to the inclusion in his name of the matters based on their information in the form and context in which it appears.



LEGEND

-  Mapped CID Outcrop
-  Phase I Drill Collar
-  Phase II Drill Collar



Nullagine CID Project

**Outcamp Deposit
Drill Collar Locations**

Figure 2
Date: 15/11/07